The Importance of a Long-Term Surface Transportation Authorization in Sustaining Economic Recovery July 16, 2009

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David Bruffy

General Manager

Mountain Line Transit Authority

420 DuPont Road

Morgantown, WV 26501

304.296.3680

Mr. Chairman and Members of the Subcommittee:

I would like to express my appreciation for the opportunity to address you today on the Importance of a Long-Term Surface Transportation Authorization in Sustaining Economic Recovery." My name is David Bruffy and I am the General Manager of the Mountain Line Transit Authority in Morgantown, West Virginia. I also serve as the President of the West Virginia Public Transportation Association and as West Virginia's representative on the Community Transportation Association of America's State Delegate Council. In this capacity as a representative of the Community Transportation Association of America, I am pleased to communicate the Association's complete support for the Surface Transportation Act of 2009 and concerns about any long-term delay in its adoption.

I would like to tell you briefly about Mountain Line Transit Authority. We currently provide more than 1.1 million rides each year, using a fleet of 38 vehicles, and provide fixed-route bus service on 20 routes, along with demand-response services and an intercity regional bus route. Our annual budget includes support from the Federal Transit Administration's Small Urban (5307), Seniors and People with Disabilities (5310), Job Access and Reverse Commute (JARC) and New Freedom programs. Recent ridership increases are showing that the larger Morgantown community has embraced public transportation as one of the keys for the future development of our community. Monongalia

first quarter of 2009. And while prices have since returned to lower levels, as an industry, transit's passenger counts have generally remained high.

In spite of these gains in ridership, transit operations like mine are faced with steadily increasing costs – in terms of fuel costs, insurance premiums and other factors – that often outpace additional revenue produced by additional riders. As well, state and local economies have been most severely impacted by the economic downturn, thus reducing access to local share for many systems. Some observers have termed this phenomenon the transit paradox – meaning at a time when transit is carrying more passengers than ever before, we are forced to take actions which could drive those new riders away from transit, perhaps permanently.

This trend has already impacted Mountain Line. This year, we were forced to reduce service because of our increasing operating deficit. We reduced capacity on already crowded routes and eliminated a housing shuttle service when local funding ran out. Meanwhile, West Virginia University recently reduced its commitment by nearly 16 percent, which produced a resulting cutback in our service to university students. Despite these reductions, we still expect an increase in ridership of over 30 percent compared to 2008.

It is in this context that a long-term authorization of surface transportation is needed, and immediately. Such an effort would allow transit providers to craft budgets and operating plans guided by predictable levels of investment.

Additionally, the Surface Transportation Act of 2009 proposes to double the level

new vehicles allow us to restore some of our previously reduced service and reduce our long-term maintenance expenses. However, we also could have utilized additional capital investment to upgrade our scheduling and dispatching software as well as improve our on-board vehicle technology.

At a time when all of our nation's leaders are rightly focused on helping our ailing economy recover in the most rapid and efficient manner, the investment provided for transportation in general – and transit in particular – in the ARRA are delivering powerful benefits to rebuild our economy.

On June 23rd, the Committee on Transportation and Infrastructure released data on transportation projects kick-started by funds from the American Recovery and Reinvestment Act (ARRA). The results were impressive: as of May 31st, over 4,000 highway and transit projects had been put out to bid across the entire nation with only 46 percent of the available formula funding assigned.

A conference call among several state departments of transportation on July 14th reported the following specifics: in Utah, 97 percent of ARRA money has been obligated, while 93 percent has been contracted and 43 percent of contracts are underway. Additionally, California expects to have an additional \$750 million in funds obligated by the end of the summer, while Washington State has provided \$1.1 million in payroll to workers on 59 projects, with 71% of ARRA funds obligated. Over 850 workers have been employed for these projects.

These projects translate into direct, on-project jobs for 21,000 Americans.

Nor does the impact of these projects stop on-site. These projects are capital-

projects across the country in state DOTs that demand attention but are sitting on shelves. These infrastructure projects epitomize the "shovel-ready" concept, needing only the investment in order to start. With less than half of the ARRA funds assigned, there has already been impressive job growth in a small amount of time. It is essential for Congress to capitalize on the momentum that this funding has already generated. To delay reauthorization is to miss a critical opportunity to fight back against the recession with swift and direct action that will resonate throughout all economic sectors. Maintaining the status quo of transportation funding will stifle state and local transportation departments in following through on new projects, leading not only to significant missed copportunities for job growth, but even substantial job loss as transit systems across the country reduce their services. Service reduction in the transit industry not only leads to job reductions within the industry, but - as important - the loss of accessible transit means that those who depend on public transportation for mobility will lose access to their jobs.

A New Vision for Surface Mobility

It is therefore essential that the investment directed to transit in the ARRA not serve as a one-time, bonus appropriation, but rather coincide with a long-term strategy for sustaining and improving the mobility afforded by reliable, responsive and efficient community and public transportation. Indeed, it is time for a new legacy to be cultivated through our nation's surface transportation legislation —

Demographic Trends Impact Economic Recovery

Sustained economic recovery is intrinsically connected to the mobility of all Americans. Public and community transportation — serving urban, rural and suburban communities — connects millions of Americans everyday with work, with routine and ongoing medical care and treatments, with shopping, with vital local human services and much more. What's more, rebuilding the nation's public transit infrastructure — especially in light of the fact that overall transit ridership is at its highest level in more than 50 years — is already positively impacting the nation's economic recovery. The Surface Transportation Act of 2009 includes a number of innovations that will help public and community transportation providers to better respond to this growing demand and that will continue the rebuilding of the nation's transit infrastructure that was started in the ARRA.

Within this growing demand for transit is one demographic that represents several important opportunities for transit providers to impact the nation's economic recovery — senior citizens. Public and community transportation — increasingly — finds itself the only mobility option for a growing number of older Americans who either cannot or choose not to drive themselves. For example, Mountain Line recently entered into an agreement to provide service for a local non-profit senior center, including unlimited transit passes for their participants and additional demand-response service for those who cannot access traditional transit.

For years, almost everyone in this country has identified the growth of our

Waiting an additional 18 months might not sound like a long time — particularly in the Washington legislative cycle. But in the case of America's senior citizens and their increasing mobility needs, as well as in the face of mounting non-emergency medical transportation concerns, such a wait will assuredly exacerbate what is already a dire situation.

Connecting America Back Together

The nation is entering a new transportation era. The tremendously successful Eisenhower Intercity Highway era has ended and the nation finds itself more disconnected than ever before. Congestion robs our economy of an estimated \$78 billion a year. More than 40,000 Americans perish each year on our roadways. Maintenance and upkeep of the highway and bridge system we just celebrated completing has fallen far behind schedule.

Yet all the transportation news is not bad. Ridership on the nation's public transit systems is approaching all-time highs. Rural communities that for decades had little or no public transportation component are now seeing such services — sometimes for the first time. Under the guidance of the past several federal transportation reauthorization laws, communities around the nation have built light rail and commuter rail systems, rural transit operations and intermodal facilities.

It is now time to take these successes and connect them together offering

Americans in cities, suburbs and rural areas alike what they have always wanted

The Importance of a Long-Term Surface Transportation Authorization

The importance of a long-term surface transportation authorization for transit systems like mine and those I represent throughout the state of West Virginia is clear. It is needed to meet the growing demand for transit in communities of all sizes. It is needed to help transit operators bridge the operating funding gap that is forcing too many systems to consider fare increases and service cuts at a time when they need to be doing the opposite. It is needed to help serve seniors and to meet non-emergency medical transit demand. It is needed to build upon the momentum that Congress and the Administration established with its swift passage of the ARRA. And finally, it is needed because none of the critical issues facing public and community transportation operators today — to say nothing of the communities and people they serve — will do anything but get considerably worse in the ensuing 18 months.